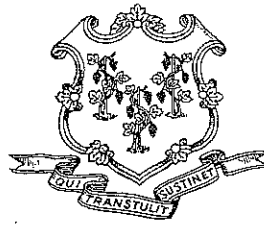


SENATOR MARTIN M. LOONEY

PRESIDENT PRO TEMPORE

Eleventh District

*New Haven, Hamden & North Haven*



State of Connecticut

SENATE

State Capitol  
Hartford, Connecticut 06106-1591

132 Fort Hale Road  
New Haven, Connecticut 06512

Home: 203-468-8829  
Capitol: 860-240-8600  
Toll-free: 1-800-842-1420

[www.SenatorLooney.cga.ct.gov](http://www.SenatorLooney.cga.ct.gov)

TESTIMONY BEFORE THE VETERANS' AFFAIRS COMMITTEE

Senator Martin M. Looney

February 17, 2015

**In support of S.B. 520, An Act Concerning Military Retirement Pay**

Good afternoon Senator Flexer, Representative Hennessy, and members of the Veterans' Affairs Committee. My name is Martin M. Looney, state senator for the 11<sup>th</sup> Senatorial District, which includes the communities of New Haven, Hamden and North Haven.

I come before you today in support of Senate Bill 520, an act that would demonstrate Connecticut's great appreciation for the service and sacrifice of our nation's veterans by providing a one hundred percent exemption from the state income tax for federally taxable military retirement pay.

Many other states already offer such an exemption. Of the states with an income tax (nine have none), thirteen now offer a one hundred percent exemption for military retirement pay, including our neighbors in Massachusetts and New York. The federal government currently exempts portions, and in some cases all, of military retirement pay for disabled veterans from the federal income tax.

Current law in Connecticut provides for a fifty percent exemption of federal retirement pay to retired members of the U.S. Army, Navy, Air Force, Marines, Coast Guard, and Army and Air National Guard. Yet I believe we can and should do better.

This existing exemption benefits approximately 11,000 Connecticut veteran taxpayers each year, resulting in \$3.9 million in foregone revenue in fiscal year 2014 and \$4 million in fiscal year 2015. Increasing the exemption to one hundred percent would roughly double those figures.

Though the current fiscal climate is delicate, I believe that an increase in this exemption is an appropriate and affordable gesture of appreciation for our state to make to its veterans, in thanks for all they have done to protect our country and the freedoms we cherish.

Thank you very much for your time and your attention to this important issue.